

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

HEATHER GARCIA, Individually and on Behalf
of All Others Similarly Situated,

Plaintiff,

v.

KATE SPADE & COMPANY, CRAIG A.
LEAVITT, DEBORAH J. LLOYD, NANCY J.
KARCH, LAWRENCE S. BENJAMIN, RAUL J.
FERNANDEZ, CARSTEN FISCHER,
KENNETH B. GILMAN, KENNETH P.
KOPELMAN, DOUGLAS MACK, JAN
SINGER, and DOREEN A. TOBEN,

Defendants.

Case No.: 1:17-cv-04177-UA

CLASS ACTION

DEMAND FOR JURY TRIAL

STIPULATION OF DISMISSAL

WHEREAS, on June 5, 2017, plaintiff Heather Garcia (“Plaintiff”) filed the above-captioned action (the “Action”) challenging the disclosures made by Kate Spade & Company (“Kate Spade”) in connection with the proposed acquisition of Kate Spade by Coach, Inc. (“Parent”), and its wholly owned subsidiary, Chelsea Merger Sub Inc. (“Merger Sub”), pursuant to a definitive agreement and plan of merger filed with the United States Securities and Exchange Commission (“SEC”) on May 8, 2017 (the “Transaction”);

WHEREAS, the Action asserts claims for violations of Sections 14(e), 14(d)(4), and 20(a) of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78n(a), 78t(a), SEC Rule 14d-9, 17 C.F.R. 240.14d-9, and Regulation G, 17 C.F.R. § 244.100, in connection with Kate Spade’s Solicitation/Recommendation Statement on Schedule 14D-9 (the “14D-9”) filed with the SEC on May 26, 2017;

WHEREAS, on June 28, 2017, Kate Spade filed an amendment to the 14D-9 that included certain additional information relating to the Transaction that mooted Plaintiff's claims (the "Supplemental Disclosures");

WHEREAS, Plaintiff's counsel intends to assert a claim for mootness fees and expenses in connection with the mooted claims (the "Fee Application"), and seek Court intervention if the parties cannot resolve Plaintiff's Fee Application;

WHEREAS, all of the defendants in the Action reserve all rights, arguments, and defenses, including the right to oppose any potential Fee Application;

WHEREAS, no class has been certified in the Action;

WHEREAS, for the avoidance of doubt, no compensation in any form has passed directly or indirectly to Plaintiff or his attorneys and no promise, understanding, or agreement to give any such compensation has been made, nor have the parties had any discussions concerning the amount of any mootness fee application;

WHEREAS, defendants have denied and continue to deny any wrongdoing and contend that no claim asserted in the Action was ever meritorious;

NOW, THEREFORE, upon consent of the parties:

IT IS HEREBY STIPULATED AND AGREED, this 29th day of June, 2017,

1. The Action is dismissed, and all claims asserted therein are dismissed with prejudice as to Plaintiff only. All claims on behalf of the putative class are dismissed without prejudice.

2. The Court retains jurisdiction of the Action solely for the purpose of determining Plaintiff's Fee Application, if filed.

3. This Stipulation is entered into without prejudice to any right, position, claim, or defense any party may assert with respect to the Fee Application, which includes the defendants' right to oppose the Fee Application.

4. To the extent that the parties are unable to reach an agreement concerning the Fee Application, they may contact the Court regarding a schedule and hearing to present such application to the Court.

5. Upon completion of briefing, the parties shall promptly contact the Court to schedule argument regarding Plaintiff's Fee Application at a time convenient to the Court.

6. If the parties reach an agreement concerning the Fee Application, they will notify the Court. Upon such Notification, the Court will close the Action.

Dated: New York, New York
June 29, 2017

MONTEVERDE & ASSOCIATES PC

By: /s/ Juan E. Monteverde

Juan E. Monteverde (JM-8169)
The Empire State Building
350 Fifth Avenue, Suite 4405
New York, NY 10118
Telephone: (212) 971-1341
Facsimile: (212) 202-7880
jmonteverde@monteverdelaw.com

Attorney for Plaintiff Heather Garcia

PAUL, WEISS, RIFKIND,
WHARTON & GARRISON LLP

By: /s/ Andrew Gordon

Andrew Gordon
1285 Avenue of the Americas
New York, New York 10019
Telephone: (212) 373-3000
Facsimile: (212) 757-3990
agordon@paulweiss.com

*Attorney for Defendants Kate Spade & Company,
Craig A. Leavitt, Deborah J. Lloyd, Nancy J.
Karch, Lawrence S. Benjamin, Raul J.
Fernandez, Carsten Fischer, Kenneth B. Gilman,
Kenneth P. Kopelman, Douglas Mack, Jan
Singer, and Doreen A. Toben*